Scott. II-27—50,006—23-11-42.

Public Works

(1943) Department.

M8 SERIES.

close
work
supt

G.O. No. 2110

Dated the 8-10-43

[Despatch Abstract.]

Electricity - Hospital Electric Licence - Accounts for [illegible] - Recorded with Archives.

Audit report on the accounts of the [illegible] Electric Undertaking [illegible] for the year 1941-42.

[illegible] Sri S.A. Sreenivasa, Asst Inspector of Local Fund Accounts, Bellary.

[illegible] from 6th November 41 [illegible] Sri S.A. Sreenivasa: The office [illegible] by Sri A.[illegible] from April 1941 to [illegible] 1941 and Sri A. Sankaralingam, B.A., from 25th November 1941 to 31st March 1942.

2. The annual Statement of accounts for the year is appended.

3. The more important irregularities noticed are detailed below. Irregularities of a minor nature are included in the Audit Objection statement which should be treated as part of this report.

4. Pending objections of the previous audit report.

Para 3(a) of the Audit report for 1940-41 and paragraph 11 of the audit report for 1939-40.

(a) The object of controlling the burning hours of street lamps is worthy of consideration.

5. Cash account remaining unutilised.

Out of the loan of Rs.45,000/ sanctioned in G.O.No.F. [illegible] dated 2nd May 1941, a sum of Rs.41,003-0-0 remains unutilised. In view of the difficulty experienced in securing plant, investment of the amount or refund is suggested to avoid unnecessary interest charges, especially when the concern is working at a deficit.

Diversion of Rs.11,000 from the water and drainage funds without an intimation to Government has resulted in unnecessary payment of interest. The amount may be refunded.

6. Extension of Power House buildings - Estimate Rs.5,900.

Irregularities in invitation of tenders.

An estimate for the work mentioned in resolution No. 3(a) dated 1st September 1941 and tenders were invited on 11th August 1941. Two tenders were received of which one not being accompanied by deposit was rejected. Even on opening it and the other tender of Patel Kuttappa Reddy at estimate rates, was accepted.

Clause 10 of the tender notice required that the contractor

should make his own arrangements for iron articles mentioned in the estimate and that they would not be supplied departmentally. The accepted tenderer had made a stipulation that the supply should be paid for on Company's bill and erection charges as per estimate etc. This in effect is neither departmental management nor contract agency

Where, in an estimate for Rs.5,900, the cost of iron articles alone amounted to Rs.[illegible],043 (the actual expenditure so far incurred being Rs.5,363/-) the manner of disposal of contract cannot be said to be in the best interest of the Municipality.

On 3rd November 1941 quotations for iron materials without specifying the requisite quantities were invited from four firms at Mad Madras to be replied to by <u>return of post</u>. The communication, however, was not despatched through the office. All the four firms quoted rates on the same date 15th November 1941, and their communications were received in the office on 16th November 1941. The Overseer recommended acceptance of the tender of Messrs.Gulamali & Sons as the lowest and it was approved by the Commissioner the same day and order for supply at the rates quoted by Gulamali & Sons, was also issued to the tender contractor for the work on the same day i.e., on 16th November 1942. The contractor, however, got the articles from another Supplier Calcutta Light Supply Company and payment was made at the rates quoted by Gulamali and Sons. The Calcutta light Supply Company is one of those whose quotations were obtained but were found to be higher. The fact that the Calcutta Supply Company supplied the articles at the rates quoted by Gulamali & Sons, indicates that their quotations were not final. It is not improbable that the Calcutta Light Supply Company might have acted as middlemen getting its orders executed by purchasing articles from regular dealers.

G.O.No.2229 L.A., dated 15th June 1924 lays down that the Executive Authority of a Municipal Council shall invite tenders for supply of materials or goods which whether the expenditure exceeding Rs.500/- when the supply of material for a work is a major item in it, excluding it from the contract for the whole work and letting it out to be paid for on production of suppliers' bill, is an evasion of rules, which needs a specific condonation by Government.

7. The General result of audit may be considered fairly satisfactory.

8. The receipts and charges for the year were Rs.1,12,412/ and Rs.43,952-7-3 respectively.

9. Seven items of objections involving Rs.4,421-14-0 were pending at the close of audit.

R.RAGAVACHARIAR,
Assistant Examiner of Local Fund Accounts,
Northern Circle, Guntur.

Forwarded to the Executive Authority of Hospet Municipal Council in duplicate with the request that the report may kindly be returned within 2 months to the District Inspector of Local Fund Accounts, Bellary with your reply in triplicate duly approved by the Municipal Council for submission to Government.

(TRUE COPY)

Superintendent,
Office of the Examiner of L.F.Accts.,
Nandyal, at Kurnool.

RAVS/

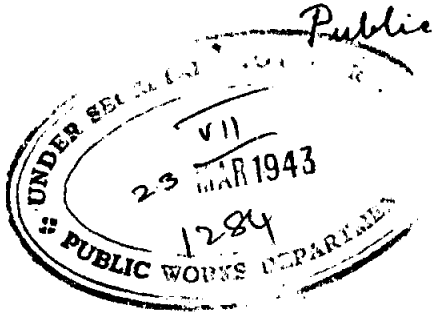
P.T.O.

Copy of the audit report on the Electric Licence Accounts of the Hospet Municipal Council for the year ended 31st March 1943 is herewith forwarded with the statutory accounts in duplicate. The original was forwarded to the Executive Authority in L.F.No. 10504 dated 18th March 1943.

L. Ft. 10580
20.3.43

Deputy Examiner of Local Fund Accounts.

The Secretary to Government,
Public Works Department.
Madras.



P.W. Dept
C.E.I. Guo for early remarks
23/3/43
24.3.43

P.W.Dno.1284/VII/43-1
24/3/43

EI
27.3.43

L. F. No. 270
M. F. No. 180

ANNUAL ACCOUNT.

Hospet Municipal *Electric Licence.*

Year ending 31*st March* 1942.

I. Statement as to loans authorized for the purpose of the undertaking referred to in the abovementioned licence to the end of for which accounts are made up.

Hoe & Co., Madras.

Amount sanctioned and nature of loan.	Amount borrowed.			Amount paid.			Amount sanctioned but not borrowed.			
	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	
1. Rs.1,10,000 at 4½% from the Kurnool D.B. sanctioned in G.O.No.3928 L & M dated 4-10-32	110000	-	-	110000	-	-				
2. Rs.1,00,000 @ 3½% frp, Government G.O.MS 3844 L.A., dated 28-9-38	100000	-	-	10983	10	0				Utilised in repayment to the above loa
3. Rs.4059-5-4 from the General Funds of the Municipality G.O.....135 L.A., dated 10-1-40	4059	5	4	1445	14	-				
4. Transfer from the Security Deposit of consumers: Res.No.1207/31-1-40	1010	-	-	-	-	-				
5. Rs.45000/- from Government for extension of Power House G.O.No.MS 1400 dated 22-5-41	45000	-	-	-						
	160069	5	4	122429	8	0				
6. Rs.27,600 Advance from Government to cover deficit G.O.No.1238 L.A., dated 28-3-42	27600	-	-							
7. Diversion from Water ~~scheme~~ and drainage account to cover deficit G.O.No. MS 1400 L.A., dated 22-5-41	11000	-	-							

Auditor.

Commissioner
President, Panchayat Board.

Electrical Engineer.

6

L.F. No. 270
M.F. No. 180

II. Capital Account for the

Dr.

Description of wor...	Expenditure to the end of	Expenditure during the year	Total expenditure to the end of
	Rs. A. P.	Rs. A. P.	Rs. A. P.
(a) To preliminary expenses (to be specified) ..	3623-8-6	86-10-0	1268-2-6
-do- write off		-2442-0-0	
(b) „ lands, including law charges ..	1599-7-0	-	1599-7-0
(c) „ value of lands appropriated for electrical purposes			
(d) „ buildings and other properties ..	15078-6-11	4332-1-0	19410-7-11
(e) „ plant	36925-3-11	837-13-6	37763-1-5
(f) „ transformer and appliances			
(g) „ overhead feeders	54940-8-0		54907-2-9
Devolution to stores		-33-5-3	
(h) „ underground feeders			
(i) „ meters and testing equipment	2884-3-0	329-2-4	3084-11-2
Difference in value owing to change of meters for testing.		-103-8-0	
(j) „ special structures Devolution on stores on disconnecting service		-45-2-2	
(k) „ switch gear, fuse and lightning arresters			
(l) „ street lighting			
(m) „ service connections	5357-8-10	363-7-8	5636-15-3
Devolution to stores		- 84-1-3	
(n) „ tools and plant	1537-11-11	1006-5-0	2544-0-11
Furniture 119-7-0			
Reference books 36-5-0			
(o) „ general stores	155-12-0	-	155-12-0
(p) „ transfer to sinking fund of value of land sold, as per contra ..			
(q) „ amount applied to the reduction of principal of borrowed money from value of lands sold, as per contra			
(r) „ special items (to be specified) ..			
Total expenditure	122102-6-1	4267-6-10	126369-12-
To balance of capital account ..			41169-14-
			167539-11-

T. K. F.

Auditor.

Electric Licence.

year ending 31-3-1942.

Cr.

Description of work.	Receipts to the end of	Receipts during the year	Total receipts to the end of
	Rs. A. P.	Rs. A. P.	Rs. A. P.
(*a*) By amounts raised by loans	115069-5-4	45000-0-0	160069-5-4
(*b*) ,, interest on capital outlay during construction capitalized..			
(*c*) ,, amount received as Government contribution			
(*d*) ,, value of lands belonging to authority appropriated for electrical purposes			
(*e*) ,, value of surplus lands sold			
(*f*) ,, amount transferred from Net Revenue Account upto 1940-41 ..	7470-5-10		7470-5-10
(*g*) ,, other receipts (to be specified)			
Total receipts ..	122539-11-2	45000/-	167539-11-2

Electrical Engineer.

A.A.—2

Commissioner,
President, Panchayat Board.

6

L.F. No. 270.
M.F. No. 180.

No. III Revenue Account for the

Dr.

	Rs.	A.	P.	Rs.	A.	P.
A. Generation—						
(a) To fuel	11539	14	5			
(b) To oil, waste, water and engine room stores	2791	2	3			
(c) To proportion of salaries of Engineers, Superintendents and officers	1055	7	0			
(d) To wages and gratuities	2199	3	0			
(e) To repairs and maintenance of—						
(i) Building	-	2	-			
(ii) Plant	4312	6	11			
(f) To other items (to be specified)				21898	3	7
AA. To cost of Bulk power purchased						
B. Distribution—						
(a) To proportion of salaries of Engineers, Superintendents and officers	1055	7	0			
(b) To wages and gratuities	929	12	10			
(c) To repairs, maintenance and renewal of mains—						
(i) H. T. line K.V.						
(ii) L.T. line	169	14	5			
(d) To repairs, maintenance and renewal of transformers						
(e) To repairs, maintenance and renewals of meters, switches, cutouts and other apparatus on consumers' premises	9	15	7	2165	1	10
C. Public lamps—						
(a) To attendance and repairs	172	5	0			
(b) To renewal, etc.	278	-	-	450	5	-
D. Rents, rates and taxes—						
(a) To rents payable	2	-	-			
(b) To rates and taxes						
(c) To electricity duty				2	-	-
E. Management expenses—						
(a) To salaries, etc.—						
(1) Engineers department	1407	9	-			
(2) Clerical department	660	-	-			
(b) To general establishment charges	172	9	-			
(c) To commercial expenses				2240	2	0
F. Law charges—						
To Law expenses						
G. Other items—						
(a) To service connexions	142	6	8			
(b) To compensation under Workmen's Compensation Act						
(c) To Audit fees						
(d) To Electrical Inspector's fees	47	-	-			
(e) To leave and provident fund contribution charges						
(f) To other sundry items (if any)	486	14	2	676	4	10
Total expenditure	27432	1	3	27432	1	3
Amount carried to Net Revenue Account				738	14	9
Balance carried to next account to provide for bad debts						
Total				28171	0	0

T. K. [illegible]

Auditor.

Electrical Engineer.

———————*Electric Licence.*

year ending 31st March 19 62

Cr.

		Rs.	A.	P.	Rs.	A.	P.
(*a*) By balance from last account less bad debts written off							
(*b*) By sale of energy for lighting purposes					13667	5	-
(*c*) By sale of energy for power purposes					4896	9	-
(*d*) By sale of energy for public lighting					3154	8	-
-do- bulbs					278	-	-
(*e*) By sale of energy by special contract							
(*f*) By rental of meters on consumers' premises					878	2	-
(*g*) By service connexions—	Rs. A. P.						
Actual cost	142-6-8						
Tempor ry connection charges	10-0-0						
Centage	22-5-4				174	12	-
(*h*) By miscellaneous receipts from consumers fuse off calls					78	-	-
(*i*) By rents receivable							
(*j*) By other receipts (if any to be specified)					63	12	-
Reconnection charges	38-1-0						
Audit recovery	20-9-0						
Cost of booklet sold	0-2-0						
Cost of tender specification.	5-0-0						
	63-12-0-						
Total receipts ..					28171	-	-

Commissioner
President, Panchayat Board.

10

L. F. No. 270
M. F. No. 180

IV. Net Revenue

Dr.

	Rs.	A.	P.	Rs.	A.	P.
(a) To interest on mortgage debt accrued due to date				7530	-	-
(b) To amount transferred to Capital Account						
(c) To payments to reserve fund where such fund is authorized						
(d) To Income-tax paid						
(e) To sum applied to local rate						
(f) To Interest on Capital due on consumers' deposit ..				112	-	-
(g) To Sinking fund at....per cent on paid up capital*						
(h) To provision for renewals and extraordinary maintenance						
(i) To depreciation —~~General reserve at....per cent on paid up capital~~* ..				12450	-	-
(j) To balance carried to balance sheet				26655	5	11
Total ..				46747	5	11

* *Note.*—The percentage in the above two items should be left

1. Plant at 16 2/3% 6154-0-0
2. Buildings @ 5% 754-0-0
3. Overhead mains and cables @ 5% 2747-0-0
4. Service connection at 5% 268-0-0
5. Tools and plant at 5% 85-0-0

10008-0-0

Preliminary expenses at 2% capital value 2442-0-0

12450-0-0

T.K.T. Auditor.

Electrical Engineer.

No. V. Sinking Fund

Dr.

	Stock.	Rs.	A.	P.
(a) To amount paid for purchase of (nature of investment to be specified)				
(b) To stock sold during period of account				
(c) To amount of principal of borrowed money repaid				
(d) To amount of balance to next account				
Total ..				

Auditor.

lectrical Engineer.

No. VI. Reserve Fund

Dr.

	Stock.	Rs.	A.	P.
(a) To amount for purchase of (nature of investment to be specified) ..				
(b) To stock sold				
(c) To sum transferred to revenue account				
(d) To amount of balance to next account				
Total ..				

Auditor.

___ *Electric licence.*

Account.

Cr.

	Rs.	A.	P.	Rs.	A.	P.
(*a*) By balance from No. III. Revenue Account				738	14	9
(*b*) By balance from last account				7268	15	8
(*c*) By interest on money at deposit				46	8	0
Service connection charges of previous years adjusted from deposit				84	12	0
Excess found in stock over the suspense account - balance as per stock list on 31-3-42 Advance.				4	3	6
				38600	-	-
Total ..				46747	5	11

blank to be filled in by the respective undertakings.

Commissioner
resident, Panchayat Board

_____ *Electric licence.*

Account.

Cr.

	Stock.	Rs.	A.	P.
(*a*) By balance brought from last account				
(*b*) By amount brought from net revenue account				
(*c*) By interest on investment				
(*d*) By value of lands transferred from Account II				
(*e*) By amount realized by sale of stock (nature of stock to be specified)				
(*f*) By stock purchased				
Total ..				

Commissioner
President, Panchayat Board

_____ *Electric licence.*

Account.

Cr.

	Stock.	Rs.	A.	P.
(*a*) By balance brought from last account				
(*b*) By amount transferred from net revenue account				
(*c*) By stock purchased				
(*d*) By amount realized by sale of stock (nature of stock to be specified) ..				
Total ..				

Commissioner
President, Panchayat Board

No. VIII Statement of energy generated, sold, etc.

Total energy generated in Kilowatt hours. (1)	Public lamps. (2)	By special contract. (3)	Consumers by meter for lighting purposes. (4)	Consumers by meter for power purposes. (5)	Total. (6)
139678	32542.3	Nil	38763.4	44544.7	115850.4

Kilowatt-hours used on works. (7)	Kilowatt-hours not accounted for. (8)	Total Kilowatt-hours accounted for. (9)	Kilowatts connected for public lamps. (10)	Total consumers connected. (11)	Total Kilowatts connected. (12)	Plants installed Kilowatts. (13)	Maximum supply demanded in Kilowatts. (14)
14159	9868.6	129809.4	12.985	341	187.627	98.5	74

T. K. K. Swami
Auditor.

Electrical Engineer

Commissioner
President, Panchayat Board.

ELECTRICITY DEPARTMENT.

VII

Received ..... 19 . *Registered* -1 ... 19

1969

Subject: HOSPET ELECTRIC LICENCE - Accounts for 1941-42.

Ref: P.W.D. U.O.1284 VII/43-1 dated 24-3-43.

P.W. Deptt

The Council's replies to the audit report & the Examiner's further remarks as mentioned have not yet been received. The Examiner may be reminded. Draft Exchange reminder enclosed

M. Iyer 8/6/43 8/6/43

Examiner reminded on 8/6/43

(Replies to audit report sent to C.E.I. on 2/9/43.)

ENCLOSURES.

No. .....

.....

Spare copies .....

No. ~~4498~~-A70/41-42/327

Station Triplicane, Madras, *Dated the* 31st May 1943.

From (Name) Sri T.J.Mirchandani.

(Designation) Chief Electrical Inspector to Government.

To The Secretary to the Government of Madras,

PUBLIC WORKS Department.

MADRAS.

Sir,

With reference to your above, the accounts of the Hospet Electrical Undertaking for 1941-42 have been scrutinized and the following remarks are submitted.

The accounts under review relate to the 7th year of operation.

The important features of working are as extracted below:

	1941- ~~XXXX~~-42.	1940-41.
1. Total capital expenditure upto the end of the year.	Rs. 126370	Rs. 122102
2. Gross Profit for the year.	Rs. 739	Rs. 7684
3. Net Profit.	Rs. 26655	Rs. 7269
4. Revenue from electric supply.	Rs. 26698	Rs. 27753
5. Total units generated.	139678	126611
6. Total units sold.	115850.	108618
7. Total No. of consumers.	341	310
8. Maximum demand in K.W.	74	84

No. I- Statement.

Information regarding rate of interest and number of instalments should be noted in respect of each loan mentio in this statement.

P.T.O

No.II - Capital Account.

Out of the sum of Rs.41169-14-3 representing the balance of capital as on 31-3-1942, an amount of Rs.38,290-9-2 is reported to be in the form of cash and lying idle. A part of this has since been utilized for repairs and overhaul of the engines and the future commitments on this behalf are uncertain. The Municipal Council may be advised that as soon as the position is clarified they may consider the question of returning or re-investing the balance.

The balance of Rs.1268-2-6 representing preliminary expenses as on 31-3-42 should be wiped off by charging the net revenues in easy instalments, when the financial position justifies it.

The expenditure under item (g) on the Debtor side should be suitably split up and exhibited under the appropriate heads (g) (h) (j) (k) and (l) under the three columns and exhibited in the accounts for 1942-43.

No. III - Revenue Account.

The street lighting rates are exclusive of maintenance charges As the electrical undertaking of the Municipality should be run on a commercial basis and therefore the expenditure relating to maintenance charges on 'Public lamps' should be recovered from the general funds of the Municipality and credited to the Electricity Accounts.

The expenditure incurred by way of "leave and provident fund contribution charges" should be exhibited separately against item G(e).

No.IV - Net Revenue Account.

The amount of principal and interest paid during the year towards all the loans should be exhibited separately on the Debtor side of No. IV - Net Revenue Account.

A sum of Rs.2442 representing the instalment of preliminary expenses written off during the year has been included along with "depreciation". A separate head "To preliminary expenses written off" should be opened on the Debtor side of the Net Revenue Account and Rs.2442 should be exhibited against it.

A separate account should be opened for the "Depreciation Fund" and the sum of Rs.12450 contributed as depreciation for 1941-42 should be brought forward to the Creditor Side of this account and exhibited against the item "By amount transferred from Net Revenue Account."

"As per exhibition of figures in the Revenue Account and in the Net Revenue Account the gross profit for the year under review was Rs.739 while the net profit at the end of 1941-42 was Rs.26,655. The apparently high figure in the "Net Profits" is due to the fact that the Municipal Council has taken an advance of Rs,38,600 (Rs.27,600 at 4½% interest, repayable in ten instalments of Rs,3445each and Rs.11,000/- diverted from the Water and drainage account - Interest - free and repayable in annual instalments of Rs.1100 each - Vide item 6 & 7 of No. statement of accounts) to meet the deficit incurred upto the end of 1941-42. In view of the prevailing international situation, the future commitements of the licensee are uncertain and unless immediate use actually exists for the balance of Rs,26,655, the Municipal Council may be advised to refund as much of the loan of Rs.27,600 (item 6 in No. Statement) as possible and thereby avoid unnecessary payment of interest charges, especially when the concern is working at a deficit.

At least 10% of the depreciation fund may be invested in Government or Trustee Securities.

31 5 43

Chief Electrical Inspector to Government.

M.P/31-5.

Para 6:-The transaction took place during the period when Sri.I.Raja Rob Naidu acted as Commissioner. The matter is referred to him for furnishing a reply to the audit objection and his reply is awaited.

Para 7:- Noted.

Para 8:- Noted.

Para 9:- Noted.

A copy of the council's resolution approving the replies is sent herewith

Commissioner. 21/7/43

Copy of the council's resolution No.312 dated 19-7-43.

Read:-Audit report of Municipal Electric Licensees' Account for the year 1941-42 with replies.

Resolution:-Replies approved.

sd.N.V.Swamy
Chairman,

Commissioner. 21/7/43

(True copy)

21/7/43

Examiner's Office.

Forwarded to the Secretary to Government, Public Works (Electricity) Department with copies of Commissioner's replies and resolution of the Council.

Assistant Examiner of Local Fund Accounts.

To

The Secretary to Government, Public Works (Electricity) Department, Madras.

Local Administration Department.

To

Sri.R.Lakshmipathy,B.A.,
Commissioner,
Hospet Municipality,
Hospet.

The District Ins[illegible]
Local Fund Accounts,

C.No.592/43-E1 dated 13-7-43.

Sir,

Sub:- Lighting - Electricity -Hospet Municipal Electricity Licence -Audit report on the Electricity accounts for the year 1941-42,-submitted with replies.

Ref:-Your L.F.No.10504 dated 18-3-43.

I submit the audit report with replies in triplicate. The replies to the audit report are submitted seriatum.

1. Noted.
2. Noted.

Para 3.-Noted.

Pending objections of previous years

para 4:- The Chief Electrical Inspector to Government Madras who is the technical authority has approved the introduction of the clause in the Booklet of Rates and Conditions and other municipalities have also adopted the same. Therefore the objection may be dropped.

Loan amount remaining unutilised.

Para 5:- The Government was addressed in the matter for favour of opinion and their suggestion is awaited.

There is no interest charged for diversion of this amount. The amount of diversion of Rs.11,000/- sanctioned by the Government is repayable to Water and Drainage Fund in 10 equal annual instalmen of Rs1100/- each. Therefore the question of loss of interest does n arise. In view of the circumstances explained above the diversion may be permitted as ordered by the Government.

Extension of Power-House Buildings- estimate -Rs.5900

Office of the C.E.I.G.

Sub: Hospet Electric licence - Accoun for 1941-42 Audit report and replies thereon -Remarks - submitted.

Ref: P.W.D. u.o.No.1284-VII/43-1 dated 2-9-43.

RY TO GOVERNME... 16 SEP 1943 2265 ...IC WORKS DEPT.

Para 4

The licensee's reply may be accepted.

Sub para 2 of para 5.

If the diverted amount of Rs.11,000 is not going to be utilised immediately or in the near future it may be invested as a short term fixed deposit in a recognised bank.

for C.E.I.G. 15.9.43

To

The Secretary to Government,
Public Works Department,
Fort St. George, Madras.

C.E.I.G.u.o.No.2008 D/43-1
dated 14th September 1943.

Encl. 1 copy of accounts and audit report.

R.K.14-9.

14.9.43

L.C. 2110 Rooms 2110 — . 8.10.43. P.W. Deptt.

13.10 RW 9/10 Elec. Hospet Elec Licence - Accts for 1941-42 - Records with remarks

—.

From the Examiner of L.F. Accts. No. 10580 Dated 20-3-43.

From the C.E.D. Lr. letter No. A.70/41-42/327 dt 31-5-43.

From the Examiner of L.F Accts No 4486 dated 30-8-43.

From the C.E.D. Lr. No. 2008 D/43-1 dt 14-9-43.

—.

Recorded.

2. No I. Statement,

Here type A and 15 Cy. ✓

3 No II Capital Acct.

Here type B and 16 Cy. ✓

4 No III - Rev Acct.

Here type C and 16 Cy. ✓

5 No IV Acct Rev Acct

Here type D and 16 Cy.. ✓

B/C

X. Audit report & replies thereon.

Subpara 2 of para 5.

Here type partial E only 19 Cf.

20/9/43 received 22/9/43

22-9-43

To
The Commr. Hospitals
through the C.M.E.

1) Examine of L.F. Hector
2) C.E.O. of (2 copies) typed
(Copy for file)

Through E with ref to para 5(1) of the audit report & the Council's reply.

P.W. Dept

L.A.D may see before issue

20/9/43 The file relating to 'A' on pp 14 17 Cf is l.f. II. Please see also paragraph 2 on p1 of l.f. III, dated ~~Remarks of L.A.D's remarks with reference to 'A' on pp 14~~ 17 Cf, ~~paragraph 6 of the draft order may be amended suitably~~. L.A.D may see Counsel whether para 6 of the draft clause may stand or will require modification

22-9-43 L.A.D

(G.O. 697 dt. 21-9-43)

LOCAL ADMINISTRATION DEPT.
21 SEP 1943
22722
SECRETARIAT, MADRAS

From B.

22/9/43 23-9-43 P.W. Dept. 1284 (1) /43-3

2/3

L. A. D.

Please see this Deptl note at pp 5-6 ante in L.F.1. The balance of loan sanctioned in G.O. No. 1400 L. A. D. of 22-5-41 may be released as soon as a suitable Engine is available. Hence investment or repl to Govt seems inexpedient. Para 6 of the draft at pp 2 ante may be omitted. With these remarks this may be returned to the P.W.D. Secs

Sd/ 4/10/43 Mod

ASST SECRETARY TO GOVERNMENT
C
6-OCT 1943
2634
PUBLIC WORKS

30.9.43

Typist 2722-16
5.10.43

30.9.43

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P. W. Deptt

Please see L. A note on the previous page. Para 6 of the draft order and 2 ante may be omitted & the draft issued as now modified

GOI WB

9/6/43

Abstract

Electricity - Hospet Electric Licence - Accounts for 1941-42 - Recorded with remarks.

Public Works Department

G.O.Ms.No.2110, dated the 8th October 1943.
read the following:-

From the Examiner of Local Fund Accounts, No.10580, dated 20th March 1943.
From the Chief Electrical Inspector to Government, letter No.M.70/41-42/327, dated 31st May 1943.
From the Examiner of Local Fund Accounts, No.4416, dated 30th August 1943.
From the Chief Electrical Inspector to Government, No.2008, D/43-1, dated 14th September 1943.

ORDER:

Recorded.

2. No.I - Statement. Information regarding rate of interest and number of instalments should be noted in respect of each loan mentioned in this statement.

3. No.II - Capital Account. Out of the sum of Rs.41169-14-3 representing the balance of capital as on 31st March 1942, an amount of Rs.38,290-9-2 is reported to be in the form of cash and lying idle. A part of this has since been utilized for repairs and overhaul of the engines and the future commitments on this behalf are uncertain. The Municipal Council is advised that as soon as the position is clarified they may consider the question of refunding or reinvesting the balance.

The balance of Rs.1265-2-6 representing preliminary expenses as on 31-3-42 should be wiped off by carrying the net revenue in easy instalments, when the financial position justifies it.

The expenditure under item (g) on the debtor side should be suitably split up and exhibited under the appropriate heads (g) (h) (j) (k) and (l) under the three columns now exhibited in the accounts for 1942-43.

4. No.III - Revenue Account. The street lighting rates are exclusive of maintenance charges. As the electrical undertaking of the Municipality should be run on a commercial basis the expenditure relating to maintenance charges on 'Public Lamps' should be received from the general funds of the Municipality and credited to the Electricity Accounts.

The Expenditure incurred by way of "leave and provident fund contribution charges" should be exhibited separately against item 6(e).

5. No.IV - Net Revenue Account. The amount of principal and interest paid during the year towards all the loans should be exhibited separately on the Debtor side of No.IV - Net Revenue Account.

A sum of Rs.2442 representing the instalment of preliminary expenses written off during the year has been included along with 'depreciation'. A separate head "Preliminary expenses written off" should be opened on the Debtor side of the Net Revenue Account and Rs.2442 should be exhibited against it.

A separate account should be opened for the "Depreciation Fund" and the sum of Rs.12450 contributed as depreciation for

-2-

[illegible] deficit.

[illegible] 10% of the [illegible] Government or Trustee securities.

(By order of His Excellency the Governor)

C. [illegible] Vijayaraghavan,
Secretary to Government.

To the Commissioner, Hospet Municipality,
through the Chairman, Municipal Council.
To the Examiner of Local Fund Accounts.
To the Chief Electrical Inspector to Government (2 copies)

(True copy) Forwarded.
(By order)

Sd/-
Superintendent.

VM 9/10.